

State of California

Franchise Tax Board-Legislative Services Bureau
PO Box 1468 MS A350
Sacramento, CA 95812-1468

Telephone: (916) 845-4326
ATSS: (916) 468-4326
FAX: (916) 845-5472

Legislative Change No.

06-23

Bill Number: AB 1418 Author: Horton Chapter Number: 06-716

Laws Affecting Franchise Tax Board:

Date Filed with the Secretary of State: September 29, 2006

SUBJECT: Franchise Tax Board (FTB) Compile List of Top 250 Tax Delinquents and Make Public

Assembly/Senate Bill 1418 (Horton), as enacted on September 29, 2006, made the following changes to California law:

Section 19195 of the Revenue and Taxation Code is added:

This act requires FTB to compile and make publicly available an annual list that identifies the largest 250 tax delinquencies that exceed \$100,000, selected from both the Personal Income Tax and Corporation Tax records as of December 31 of the previous year. For purposes of this act, tax delinquency is defined as the total amount owed by a taxpayer to the State of California for which a Notice of State Tax Lien has been recorded in any county recorders office in the state.

This act exempts certain tax delinquencies from the list and requires that prior to making a tax delinquency a matter of public record, FTB must provide a preliminary notice by certified mail, return receipt requested, to the person or persons liable for the tax. The notice must inform the taxpayer that their names would be appearing on the list if the debt is not resolved within 30 days.

This act specifies the information that is to be included on the list and makes provisions for removal of names off the list in certain circumstances.

This act is effective on January 1, 2007, and operative as of that date.

This act will not require any reports by the department to the Legislature.

Assistant Bureau Director
Patrice Gau-Johnson

Date
10/6/06